

1. CONTRACT ID CODE		PAGE OF PAGES	
		1	2

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			
2. AMENDMENT/MODIFICATION NO. M366	3. EFFECTIVE DATE See Block 16C	4. REQUISITION/PURCHASE REQ. NO. NOPR	5. PROJECT NO. (IF APPLICABLE)
6. ISSUED BY CODE		7. ADMINISTERED BY (IF OTHER THAN ITEM 6)	CODE
U.S. Department of Energy West Valley Demonstration Project 10282 Rock Springs Rd., P.O. Box 191 West Valley, NY 14171			

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State, and ZIP Code)		(✓)	9A. AMENDMENT OF SOLICITATION NO.
West Valley Nuclear Services Co. LLC 10282 Rocks Springs Rd. West Valley, NY 14171			
			9B. DATED (SEE ITEM 11)
		X	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC24-81NE44139
			10B. DATED (SEE ITEM 13) August 24, 1981
CODE	FACILITY CODE		

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

☐ The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers ☐ is extended, ☐ is not extended.

Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or © By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. ACCOUNTING AND APPROPRIATION DATA (IF REQUIRED)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(✓)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO (SPECIFY AUTHORITY) THE CHANGES SET FORTH IN ITEM 14 AND MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT OF AUTHORITY OF: 41 U.S.C 253. (c)(1) P. L. 95-91
	D. OTHER (SPECIFY TYPE OF MODIFICATION AND AUTHORITY)

E. IMPORTANT: Contractor [] is not, [X] is required to sign this document and return 3 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)
See page 2

Except as provided herein, all terms and conditions of the document in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.			
15A. NAME AND TITLE OF SIGNER (Type or Print) <u>Russell A. Mellor</u> <u>President</u>		16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or Print) <u>Mary Jane Scouten</u>	
15B. CONTRACTOR/OFFEROR <u>Russell A. Mellor</u> (Signature of person authorized to sign)	15C. DATE SIGNED	16B. UNITED STATES OF AMERICA BY <u>Mary Jane Scouten</u> (Signature of Contracting Officer)	16C. DATE SIGNED <u>2/21/06</u>

ORIGINAL

The purpose of this Modification (M3) is to incorporate the negotiated Performance Based Incentive.

A. Clause B.3, "Estimated Cost and Available Fee" is hereby changed to read as follows:

The estimated cost of the contract is the total funding approved by Congress and allocated by DOE from January 1, 2006 through December 31, 2006, including any contributing or matching funds. Currently it is anticipated that this amount will be \$78,100,000. The negotiated fee pool for the entire period is \$7,750,000.

B. Clause F.5, "Fiscal Year Deliverables and Milestones are hereby amended to include the following performance based incentive for the period January 1, 2006 through December 31, 2006.

PBI	Description	Completion Date	Value
WM-1	Ship/dispose Industrial, Low Level Waste (LLW), and Mixed Low Level Waste (MLLW) , and Package TRU Waste	12/31/2006	Maximum value \$7,750,000.

C. Section J, Contract Performance Evaluation Management Plan (PEMP), is hereby changed to include the attached Individual Performance Based Incentive for period ending December 31, 2006.

D. The contract terms and conditions as indicated in this modification are effective as of January 1, 2006 and all other terms and condition of the contract remain unchanged and in full force and effect.

PERFORMANCE INCENTIVE	
Section I - General Information	
Performance Incentive Short Title: Ship/dispose Industrial, Low Level Waste (LLW) and Mixed Low Level Waste-(MLLW) and package TRU Waste	
Incentive Number: WM-1 Rev Number: 25 Date: 2/15/06	
Section II - Accounting Information	
Initial Budgeted Cost of Work Scheduled (BCWS) under this Incentive \$ 52.5M	Maximum Available Fee Allocated to this Incentive:
Performance Baseline System (PBS)/Work Authorization (Directive) (WA (D)/Program Control Document No.	Work Breakdown Structure (WBS) Element No(s). 6200-, 7300-, 6400-
Section III - Incentive Information	
Incentive Type: Baseline <input checked="" type="checkbox"/> Stretch <input checked="" type="checkbox"/> Super stretch <input type="checkbox"/> Gateway <input type="checkbox"/> Multi-year <input type="checkbox"/>	
Degree of Difficulty: High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low <input type="checkbox"/>	
Duration: Annual <input checked="" type="checkbox"/> Multi-year <input type="checkbox"/>	
Fee Payment Type: Completion <input type="checkbox"/> Progress <input checked="" type="checkbox"/> Provisional <input type="checkbox"/>	
Section IV - Performance Expectation and Measurement	
Short Title: Dispose of Industrial, Low Level Waste (LLW) and Mixed Low Level Waste (MLLW), and package TRU waste.	
1. Description: Dispose of Industrial, LLW and MLLW off-site and package TRU waste.	
2. Cost Constraint/Incentive: All work associated with this performance based incentive shall be completed within the approved budget defined in the applicable cost account planning reports (CAPRs).	
3. Gateway: None.	
Completion: By December 31, 2006, WVNSCO will dispose of Industrial, LLW and MLLW, and package TRU waste to meet the WIPP Waste Acceptance Criteria.	
This PBI is considered complete when Industrial, LLW and MLLW are accepted at the disposal facilities in accordance with all applicable requirements. TRU waste will be packaged to meet either WIPP Waste Acceptance Criteria (WAC) as applicable (final WAC for CH TRU and draft WAC for RH TRU).	
5. Completion Documents List: Completion documentation will include receipt documentation from the disposal facilities of all the waste volume that was shipped and accepted by the respective receiving facility. Documentation for TRU waste will include acceptance by the DOE-WVDP Director.	
6. Technical Boundary Conditions: None	
7. Assumptions: The work associated with the activity shall be completed in accordance with ISMS and ES&H principles and procedures.	

8. Definitions: LLW and MLLW are as defined in DOE O 435.1, 10 CFR Part 61 or 6NYCRR 374.1.9(a)(1)(xi). Dispositioned means waste volume accepted at a disposal facility.

9. Earnings Schedule:

Waste Category	Estimated Volume (000's ft3)	Earned Value/ft3
Industrial	200	\$25
Class A (incl. LLW and MLLW)	250	\$50
Class B/C 1st 100K (incl. LLW and MLLW)	100	\$100
Class B/C Next 75K + TRU Properly Packaged (incl. LLW and MLLW)	75	\$200
LLW or MLLW disposed from new D&D of Main Process Building	40	\$250
Total Earned Value		\$52,500

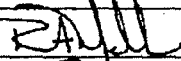

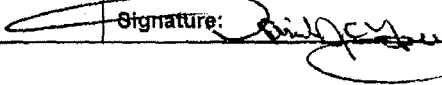
Fee will be considered earned when documentation is provided that the waste volume has been properly dispositioned. Fee will be earned on a graduated basis per unit dispositioned from any waste category within the earnings schedule. The estimated volumes are for earned value calculation purposes only and do not represent the maximum volume from any one category.

Fee will be calculated as follows (for each type of waste):

cubic feet of waste disposed X (times) earned value per cubic foot divided by \$52.5M = percentage of fee. The percentage of fee for each type of waste will be applied by multiplying the maximum available fee (\$7,750,000) by the percentage of fee (expressed as a decimal). This product will represent the amount of fee earned for each type of waste. This calculation will be repeated for each type of waste. The sum of the products for each type of waste will represent the total fee earned under this incentive. In no event will the total fee earned exceed the maximum fee available for this incentive which is the amount specified in block 10, below (\$7,750,000).

10. Fee Available: \$7,750,000 (Max.)

Signatures:

President, WVNSCO, R. A. Mellor	Signature: 	Date: 2-15-06
WVDP Deputy Director: T.J. Jackson	Signature: 	Date: 2/15/06
Contracting Officer: D. J. C. Franklin	Signature: 	Date: 2/14/06